

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of )  
 )  
Policies and Rules Implementing )  
the Telephone Disclosure and Dispute )  
Resolution Act )

CC Docket No. 93-22

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**OCT 31 1994**  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

To: The Commission

**REPLY COMMENTS OF 900 CAPITAL SERVICES, INC.**

900 Capital Services, Inc. ("Capital") hereby submits these reply comments concerning the Commission's Order on Reconsideration and Further Notice of Proposed Rulemaking regarding the policies and rules implementing the Telephone Disclosure and Dispute Resolution Act ("TDDRA").<sup>1</sup>

**I. Response to MCI and Sprint's Comments:**

Capital is concerned that artificial distinctions are being made by commenters, including MCI and Sprint. Contrary to these parties' comments, there should be no distinction between companies that provide information services in addition to telecommunications services and those companies whose sole business is providing information services. MCI and Sprint are attempting to create a nexus between information services and entities which carry telephone traffic. In fact, no such nexus exists. Capital believes that MCI and Sprint's attempts to distinguish themselves from

<sup>1</sup> Policies and Rules Implementing the Telephone Disclosure and Dispute Resolution Act, FCC 94-200 (Released August 31, 1994) ("Notice").

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information providers ("IPs") are artificial and would be discriminatory on their face. However, Capital does believe that MCI, Sprint and legitimate IPs should be allowed to continue utilizing 800 services in a structured and controlled fashion.<sup>2</sup>

The underlying theme in MCI and Sprint's comments appears to be that certain information services, if offered properly, are of significant benefit to consumers. Capital agrees with this position. However, MCI and Sprint also seem to indicate that because they operate as a legitimate business in all other respects, it should be assumed that they will do so in the case of enhanced services. Capital has no reason to assume otherwise. What MCI and Sprint have ignored, however, is that the vast majority of IPs also conduct themselves in a lawful and ethical fashion. Capital reiterates its position that procedures relating to presubscription calling activity are necessary. However, a company should not be allowed to provide information services simply because of its net worth or the fact that it happens to provide telecommunications services.

## **II. Alternatives for Consumer Protection:**

Capital outlined various suggested procedures to provide additional and necessary consumer protection in its comments filed in this proceeding. Having reviewed the other comments filed in this docket, Capital is particularly interested in the suggestions made by InfoAccess, Inc. Capital believes that some of the procedures

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<sup>2</sup> See Comments of 900 Capital Services, Inc. filed October 11, 1994.

suggested by InfoAccess are likely to be effective.<sup>3</sup> Capital does not believe the procedures articulated by InfoAccess should replace or be added to the protections advocated by Capital. Rather, Capital believes that some of the protections set forth by InfoAccess may act as effective substitutes for certain protections set forth by Capital.

Specifically, Capital suggested that all calls should be validated against a 900 number blocking database to screen out calls from locations where 900 number blocking has been requested.<sup>4</sup> However, if an IP concludes that, for legitimate reasons, imposing 900 number blocking would reduce the effectiveness of its service, then database validation could be replaced by either the written authorization or independent third party verification as suggested in InfoAccess's comments.<sup>5</sup> These substitutions would still provide strong protection for consumers and also provide IPs with alternative methods of conducting their business.

Implementation of InfoAccess's proposal that presubscription for a particular information service be made via a 900 number call, with later calls to the actual information service over 800 numbers, would negate the need to validate against a 900 number blocking database as suggested by Capital. Although Capital doubts the practicality of this particular alternative, Capital believes that it should be considered as adequate protection for consumers.

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<sup>3</sup> See Comments of InfoAccess, Inc., filed October 11, 1994, at 13-14.

<sup>4</sup> See Comments of 900 Capital Services at 5.

<sup>5</sup> See Comments of InfoAccess at 13.

### **III. Position of the Minnesota Attorney General:**

As it set forth in its comments, Capital believes that there has been abuse in the use of 800 numbers as well as presubscription in general. At the same time, however, most of the business that has been conducted utilizing either 800 numbers and/or presubscription has been legitimate and not misleading to the consumer. The Minnesota Attorney General appears to take the position that since "thousands of telephone subscribers have been billed for unauthorized information service charges on their telephone bills", the information services industry should be abolished.<sup>6</sup> While there may be thousands of consumers who are not satisfied with information services they have been provided, Capital is aware of millions more which have expressed no dissatisfaction whatsoever.

The issues facing the Commission in this proceeding should not be either swept under the rug or sensationalized. The telephone provides a valid billing mechanism and should not be unnecessarily and unreasonably restricted. Rather, what is required is a comprehensive set of standards and procedures to be followed by the IP industry.

### **CONCLUSION**

Capital believes that the alternative plan which it proposed in its previously filed comments alleviates unfair and unnecessary burdens imposed upon the IP industry

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<sup>6</sup> Comments of Minnesota Office of Attorney General, filed October 11, 1994, at 2.

while also providing necessary consumer protections. Capital further acknowledges that there may be other procedures which could be integrated with its proposals to provide flexibility to the IPs while continuing to insure the necessary consumer protections.

Respectfully submitted,



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